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# Minutes

## Board of Natural Resources

July 29, 2005  
Natural Resources Building, Olympia, Washington

### BOARD MEMBERS PRESENT BY PHONE

Doug Sutherland, Commissioner of Public Lands

### BOARD MEMBERS PRESENT

Terry Bergeson, Superintendent of Public Instruction

R. James Cook, Interim Dean, Washington State University, College of Agricultural, Human, and Natural Resource Sciences

Bob Nichols, for Governor Christine Gregoire

Bruce Bare, Dean, University of Washington, College of Forest Resources

### BOARD MEMBERS ABSENT

Ted Anderson, Commissioner, Skagit County

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### CALL TO ORDER

Chair Bare called the meeting to order at 9:05 p.m. on, July 29, 2005, in Room 172 of the Natural Resources Building.

### PUBLIC COMMENT FOR GENERAL ITEMS OF INTEREST

Quentin Goodrich - Chairman - Washington School District Association (WSSDA) Trust Lands Task Force  
Mr. Goodrich informed the Board that the WSSDA Board of Directors passed a resolution regarding the Policy for Sustainable Forests. He stated, "The WSSDA Board of Directors supports the Policy on Sustainable Forests with reservations on "Visual Management"; and further supports the transferring of old growth out of the trust lands; and acquiring lands that are financially more productive." Mr. Goodrich said that his Board passed this resolution of support upon the recommendation of its Trust Lands Task Force, which had reviewed the draft policy with DNR staff. He concluded his remarks by thanking DNR staff for their effort on keeping the task force informed as the policy developed; WSSDA looks forward to commenting on the final policy when it's available.

### POLICY FOR SUSTAINABLE FORESTS

Mr. Mackey began by presenting a PowerPoint presentation on the Policy for Sustainable Forests (PSF). He introduced Dave Dietzman who came forward to give an overview of the Draft Environmental Impact Statement (DEIS) comments.

Mr. Dietzman began by stating that he is the Environmental Impact Statement Project Manager for the PSF. He said that the Department had received a total of 32 comments, however that should not be taken as an indication of a lack of complexity of the comments. The 32 comments resulted in approximately 250 unique comments that have been distributed into three large buckets consisting of 75 analysis issues, 75 policy issues, and 100+ of what he would refer to as general comments regarding the preference of certain alternatives, the importance of achieving certain objectives, or in some cases, outside the scope of this document, e.g., (sustainable harvest policies, harvesting on steep slopes, ownership groups, and flow of harvest between decades).

Mr. Dietzman felt that overall the comments were helpful in both the development of the policies and in terms of understanding the impacts. He gave an overview of some of the analysis issues saying that some are addressed by changes to the proposed policies and others are being addressed within the Final Environmental Impact Statement (FEIS), either through responses or further analysis. He explained that DNR had received several comments on the adequacy of the cumulative impacts analysis including the relationship to impacts from long-term changes in climate. He indicated that his group would evaluate the impacts of these policies within the context of a larger picture that includes other laws and policies affecting both Forested State Trust Lands and forestlands that are not managed by DNR. He said they would also evaluate the relationship of impacts due to long-term changes in climate with any of these policy proposals and it would be discussed in the FEIS. He concluded by saying that the aggregate of policies work together with the range of alternatives considered for each policy subject to meet the BNR's identified purpose, need, and objectives.

Ms. Bergeson asked about the analysis and wondered if there had been enough done in that aspect.

Mr. Dietzman responded that there was a range of comments but a lot of them were supportive of the work DNR had done.

Ms. Bergeson wondered if the concern had to do with cumulative effects.

Mr. Dietzman responded that he didn't feel that the majority of comments were specifically focused on cumulative effects.

Ms. Bergeson commented that it seemed that as comments were received the Department responded to those comments by addressing the issues.

Mr. Dietzman said that was correct.

Mr. Bare asked for a summary of comments related to old growth.

Mr. Dietzman responded that one of the issues that came up was scientific support regarding the 80-acre threshold. He said there were also concerns for the junior taxing districts. He said this would be discussed later on in the meeting.

Mr. Sprague referred to the draft PSF and said he would be working from that document the rest of the meeting. He said that as a result of the Board's decisions, to date, he had summarized what DNR thought the major outcomes would be. He talked about Economic Performance saying that the Board had directed the Department to use aggressive marketing and market timing of forest products in a global context. The Board also directed the Department to pursue both existing and future economic opportunities related to non-timber commodities and ecological and social benefits. He said the Board had also asked DNR to evaluate and research land use patterns and economic trends to identify additional financial diversification opportunities.

Mr. Sprague announced that it was time to discuss old growth and that Tami Riepe would be presenting.

She referenced the requirement from the legislature (03-05 Capital Budget Proviso) "The Department of Natural Resources shall conduct an inventory on state lands of old growth forest stands as defined by panel of scientists." Sec. 905, ESHB 2573.

The Old Growth Definition Committee consisted of an independent science panel of experts in Pacific Northwest Ecology: Dr. Jerry Franklin, University of Washington (Chair)

Dr. Tom Spies, USFS Pacific Northwest Research Station

Dr. Bob Van Pelt, University of Washington

Other committee members included Dr. Paula Swedeen, WDFW Representative; Sabra Hull, DNR Representative; Walt Obermeyer & Steve Curry, DNR Data Analysts.

She explained that the committees' interpretation of the task was to define old growth on DNR managed lands, develop an ecological definition of old growth and then apply the definition to stands that originated following a natural disturbance such as a windstorm or fire ("natural origin"); using existing DNR data sources.

Ms. Riepe explained that old growth is not defined tree by tree, but rather by the presence of structural components in a stand such as large live trees, snags, fallen trees, and a range of tree diameters, which develop at different rates on different sites. She said that past definitions relied on specific thresholds of each component, leaving out stands that were deficient in one component, that actually were structurally old growth.

She stated that the committee developed the "Weighted Old Growth Habitat Index" to avoid this problem by comparing all stands to an old growth reference condition. The reference condition was established from a research study done by Jerry Franklin and Tom Spies on defining old growth in the Pacific Northwest. The identification of old growth in western Washington is based on data from 40 unmanaged forests located on federal lands in Washington State. These stands were located in the Cascade Range north of the Columbia River through Mount Rainier National Park; these stands contained canopy dominant trees in age from 210 to 900 years.

Mr. Bare asked if any of the stands were on DNR land.

Ms. Riepe said no, they were on federal land.

Ms. Bergeson and Mr. Bare were curious as to why DNR old growth was being identified using plot information taken from similar stands on federal land.

Ms. Riepe explained that it was due to the researchers familiarity with the locations.

Mr. Nichols asked if there was a disconnect between the research focus of the scientific definition versus a social/cultural definition.

Ms. Reipe said this committee followed exactly what legislation required, which was a panel of scientists and did not focus on the social and cultural aspects of old growth.

Mr. Partridge said he didn't think it was intended to exclude cultural or social values.

Mr. Cook said he wanted to make a point that there is a continued tension between science and politics that in turn decides policies. He felt that the policies get convoluted with politics while the science gets pushed to the side. He stated that the Board should not convolute or otherwise spin the science in any way to make it easier for the policy makers to move in the direction of politics.

Ms. Riepe talked about the index:

- The index is a screening tool, designed to locate stands that have a high probability of being old growth.
- It provides a score for each stand (from 0 to 100), based on sample data from the DNR inventory data.
- It provides a measure of “oldgrowthedness” derived from the inventory data DNR has on the structural make-up of individual stands.
- It works for stands that may be missing or lacking a particular structural component.
- It does not provide the final work on what is old growth and what is not, most stands require field verification.

Ms. Bergeson commented that it's important for the public to understand what a true old growth forest looks like and is made up of.

The index uses several components including number of snags per acre, number of large trees per acre, amount of down wood per acre, and diameter diversity.

Ms. Riepe explained that the index scores are based on existing inventory data and that structural elements are weighted in the index to emphasize large trees and diameter diversity over down wood and snags; this helps to screen out young stands with remnants. She said that an index score of 60 or more has a high probability of being old growth and that those stands are then verified for accuracy; the information on the index scores for any given stand is transparent.

Ms. Riepe said the index was tested on the Olympic Peninsula, Southwest Washington, Klickitat County and northwest of Yakima with excellent success on the Westside. Some low-scoring stands as previously identified, will require a secondary screening process.

Ms. Riepe referred to the “cookies” that had been shown to the Board at a previous meeting where some of them were large diameter with big rings and growing quickly and others that were small diameter trees all the same age. She wanted to make a point that with the index, DNR is now looking at structure not age when defining old growth.

Mr. Cook commented that age is implicit even though it's not explicit, otherwise it wouldn't be called old growth.

Mr. Bare asked if there was a quantitative expression of the phrase 'high probability'.

Ms. Riepe said they had conducted field analysis and it was accurate. She felt that if the stand scored 60 or greater it was a high probability.

Mr. Mackey added that out of all the stands identified there was only one false positive and that the index score was based on DNR data.

Ms. Bergeson wanted to know what Mr. Bare was bothered by.

Mr. Bare explained that he's concerned about the comparability of the federal lands versus state lands in regard to the weighted index.

Ms. Bergeson wondered why they used federal lands for this analysis.

Ms. Riepe explained that due to the short time frame DNR had to work with it was best to use Dr. Spie's research plots and information because it had already been done.

Mr. Cook said there is a risk of extrapolation but the safety in it is that it's not a different continent and the forests being used for research are in the same geographic region as DNR forest stands.

Mr. Partridge said there was a comparability test between DNR and federal lands.

Ms. Riepe talked about the Eastside of the State saying that they do not have a reference condition for old growth necessary to construct a definition. The existing definitions are inadequate for state lands. She said that past stand replacement fires have left old growth unevenly distributed across the landscape. However, she did mention that once defined and identified, old growth forests on the Eastside would require management to maintain them.

Mr. Bare wanted a comparison of Westside management versus Eastside management.

Mr. Mackey said old growth on the Westside has had no intervention of any kind, aside from natural occurrences. He said on the Eastside the Native Americans had traditionally kept the brush down and run the low intensity fires underneath and created the big trees and old growth conditions. Because that practice no longer occurs other species have invaded the stands. To recreate the conditions from back then the stands would have to be managed.

Mr. Nichols asked if the old growth Ponderosa's on the Eastside were created from active management.

Mr. Mackey said yes for the most part.

Ms. Riepe reiterated that there is not an old growth policy for the Eastside at this time.

Ms. Riepe said that field-testing revealed that some low-scoring stands were, in fact, old growth. This was due to inventory mapping issues or low productivity sites resulting in smaller tree diameters. On the Westside of the Olympic Peninsula, in the OESF, a score of 38 to 59, and in the Cascades, a score of 50 to 59, requires a secondary screening process to determine whether the stand includes old growth components.

The weighted old growth habitat index has identified approximately 52,666 acres that have a high probability of being old growth. An additional 35,769 acres will require a secondary screening process to determine their status. (These acres represent approximately 6% of the forestland in Western Washington.) A large majority of this acreage is on the Olympic Peninsula, in the OESF.

Mr. Sprague talked about three categories of what is most likely old growth and may be old growth, subject to field verification. He said those acres have been arranged into three categories: 1) acres that are situated where they are contributing to meeting HCP requirements 2) acres that are within Natural Area Preserves or Natural Area Conservation Areas, so they are permanently deferred 3) stands that are 80 acres and larger and stands smaller than 80 acres. Adding up all the previous acres leaves less than a 1,000 acres not tied up in other regulatory constraints.

Ms. Bergeson asked about stand size.

Mr. Sprague said that the policy discussion will ask if the Board wants to focus on retaining all of the 1,000 acres of old growth to help meet older forest targets or does the Board want to focus on retention of those stands 80 acres and larger to meet older forest targets.

Ms. Bergeson said the main distinction is not the size of the tree but the size of the ecology for habitat purposes.

Mr. Sprague said that was correct.

Mr. Bare referred to the Old Growth Report where it talks about the 80-acre stands.

Mr. Sprague said that the committee looked at structural elements and with the FRISS inventory they could go down to five acres. He explained that old growth task committee from 1986 said that stands at 80 acres and larger function at a higher level ecologically due to edge effect problems.

Ms. Bergeson said there were two things DNR needed to do and that is to sustain the HCP requirements versus finding old growth.

Mr. Partridge said the science involved with the 80 acres plus or minus had to do with an addition to structure, the old growth function has to do with microclimate which is affected by how close an area is to an edge of a stand where there might be open conditions that are hotter or dryer than the center of the stand. He explained that the scientists found that if you get much below 80 acres the influence at the center of the stand from the conditions outside becomes noticeable and the microclimate starts to change, which is important to the function of the stand independent of its structure.

Mr. Nichols wondered if that edge effect would apply to a natural clearing.

Mr. Partridge responded that there would be some edge effect but the larger the stand the less it affects the functionality of the whole stand.

Mr. Bare commented that in the first section of the Old Growth report there is no basis for 80 acres mentioned by the committee.

Mr. Partridge stated that the committee wasn't trying to define old growth function; they were trying to define old growth structure.

Ms. Bergeson said it's dangerous to look at the matrix from the report because it wasn't done to give policy direction it was done to define old growth. She felt that the tables that came from the report would drive the thinking on the policy discussions. She stated that the report needed to be separate from the policy.

Mr. Mackey said he understood Ms. Bergeson's concern regarding the old growth definition. The policy discussion would still be focused on how it needs to be managed.

Ms. Bergeson talked about the matrix and old growth stating that the variables could change in the future.

Mr. Nichols said he wasn't sure how the 80 acres above and below fit into the scenario.

Ms. Bergeson said the 80-acre element is closely related to the status column because it means that whatever the structure of the old growth forest is, DNR cares more about the structures that can function in a larger way to support habitat.

Mr. Cook interjected by saying that there are various definitions of old growth including the one in the report and it doesn't say anything about a breakpoint, but the 80 acres plus or minus is driving another policy, namely whether you would decide to harvest it.

Mr. Nichols said there should be a differentiation between structure and function in regard to the 80-acre threshold.

Mr. Bare said there should be a decoupling of the policy discussion and the scientific report.

Mr. Sprague started on the policy statements regarding old growth and Options A & B.

**Option A (All Old Growth): The Department will defer from harvest any existing old growth stands of pre-European settlement origin (1850) both before and after attainment of older forests targets and *Habitat Conservation Plan* commitments. The Board of Natural Resources will be notified of any exceptions to this policy for operational or other considerations.**

**Option B (Old Growth 80 Acres and Larger): The Department will defer from harvest 80 acre and larger stands of existing old growth of pre-European settlement origin (1850) both before and after attainment of older forests targets and *Habitat Conservation Plan* commitments. The Board of Natural Resources will be notified of any exceptions to this policy for operational or other considerations.**

**The Department will defer from harvest all or part of any existing old growth stand of pre-European settlement origin (1850) smaller than 80 acres, as necessary to meet regulatory or *Habitat Conservation Plan* requirements. The Board of Natural Resources will be notified of any proposals to harvest all or part of any existing old growth stand of pre-European settlement origin (1850).**

Ms. Bergeson asked Mr. Sprague to apply option B to the matrix from the scientific report.

Mr. Partridge said hypothetically the policy statements apply to all of the rows on the matrix, but for practical purposes and the foreseeable future it really applies to the two areas that are labeled "not currently retained to meet regulatory or HCP strategies". He explained that it reads that way because the HCP and regulatory conservation strategies are not a matter of policy that can be changed at will, either by the Board, or the Federal Government.

Mr. Partridge clarified that the Board wanted to see an explicit recognition not just in the discussion but also in the policy statements themselves, that a large majority of what may be defined as old growth has already been determined for multiple decades through this contractual agreement.

Mr. Bare felt that it wasn't fair to say that this policy only effects 1,000 acres.

Ms. Bergeson talked about the fiduciary responsibility and the importance of including that in the policy for future Boards.

Mr. Bare wondered what should happen to the stands that are going to become old growth.

Mr. Mackey said that's a different policy.

Mr. Nichols said this issue has become too complex and it needs to be simplified for all.

Mr. Sprague wanted to know if the Board wanted to make a distinction between the 80 acres or not, or is it all deferred. Once the commitments and targets have been met does the Board want a policy to address what should happen to the old growth that has been deferred at that point in time.

Mr. Bare said he didn't feel that the 80 acres should just be thrown off the table. He said the wording in the policy options bothers him because the reference to pre-European origin is inconsistent with the idea that the focus is on structure not age.

Mr. Partridge said it was included before the definitions committee published their work in order to distinguish what this policy was applying to so this policy could be distinguished from other forests that eventually will have complex structure but through the agency of management.

Mr. Cook made some suggestions to the policy by adding a historical aspect up front and then talking about the science.

Mr. Partridge confirmed what Mr. Cook had suggested.

Ms. Bergeson said she liked the switch and wanted to keep it simple by saying that the legislature requested a scientific report and DNR complied with that.

Ms. Bergeson said there needed to be some rewording of the language and she wanted to know what Mr. Sprague needed from the Board to get this discussion focused on determining the policy.

Mr. Partridge said there were several policy choices for the Board 1) whether there should be a distinction between 80 acres and larger 2) whether there should be articulation about the future once the contractual and regulatory targets have been met 3) How explicit and affirmative the Board wants to be about the Trust Land Transfer 4) single trees 5) Special treatment in the OESF to carry out the research program there.

Mr. Partridge said he would need a preliminary sense of the Board's indication on those five items.

Ms. Bergeson said she wanted a strategy from now into the future to explore options for the long term.

Mr. Bare said he agreed with Ms. Bergeson.

Mr. Partridge said he felt the Board had consensus on choosing option A if lines 14-16 were beefed up, it currently reads "At any time when in the best interest of the trusts, the Department may transfer out of trust status, old growth stands and areas containing large diameter, old trees, when full compensations is secured.

Mr. Partridge said they would come back after lunch for more discussion on the Policy for Sustainable Forests.

## **TIMBER SALES (Action Item)**

### Proposed Timber Sales for August 2005



Jon Tweedale addressed the Board. He began with the July 2005 Sales Results: 11 sales offered & 11 sold; 39.5 mmbf offered & 39.5 mmbf sold; \$8.8 million minimum bid offered & \$12.0 million sold; \$223/mbf offered & \$304/mbf sold; average number of bidders = 3.5; 37% above minimum bid.

Proposed September 2005 Board Sales: 9 sales at 30.5 mmbf; \$8.9 million minimum bid; Average \$291/mbf.

Mr. Tweedale recommended all 9 sales at 30,467 mbf with a minimum bid of \$8,876,000 be approved for auction for the month of September 2005.

MOTION: Mr. Cook moved to approve the September 2005 timber sales.

SECOND: Ms. Bergeson seconded.

ACTION: Motion passed unanimously.

## **CHAIR REPORTS**

Convened as Harbor Commission

Ms. McNair began with a brief history of the plat of Lake Union. She said that the Aquatics Program is asking the Harbor Line Commission to approve a resolution that will redesignate and adopt previous plats on Lake Union. She said that since 1907 a number of actions have affected Lake Union's water designations. She referred to a map that showed outer and inner harbor lines in Lake Union from 1907, this included an outer harbor line that ringed the lake in its entirety as well as an inner harbor line on one portion of the lake. She stated that for most of Lake Union the outer harbor line is a single line. Then in 1933 the Harbor Line Commission located a new harbor line near Portage Bay, which resulted in an inner harbor line outside of the outer harbor line which is not logical. She said that in 1962 the Commissioner of Public Lands issued an order to locate a new harbor area although it was never approved. Today's action would correct these issues by redesignation and adopting all the single harbor area lines of 1907, 1933, and 1962, as inner harbor lines, except for the outer harbor line that demarcates the harbor areas in conjunction with the inner harbor line (shown in green on the map).

Ms. McNair explained that today's action would establish a clear line distinguishing public ownership from private ownership; everything beyond the inner harbor line would clearly be stated as state-owned aquatic land. This is important because of several leases that are beyond the outer harbor line but should be beyond the inner harbor line.

MOTION: Ms. Bergeson moved to approve Resolution 1167.

SECOND: Mr. Cook seconded.

ACTION: Motion passed unanimously.

Adjourned as the Harbor Line Commission.

Reconvened as the Board of Natural Resources.

## **LAND TRANSACTIONS (ACTION ITEM)**

### Shark Reef Road #02-075501

Ms. VanBuren presented the Shark Reef Road transaction stating that the parcel is 40.23 acres of Common School Trust. It was appraised at \$430,000; \$11,000 per acre.

MOTION: Ms. Bergeson moved to approve Resolution #1168.

SECOND: Mr. Nichols seconded.

ACTION: Motion passed unanimously.

#### Cady Mountain #02-075467

Ms. VanBuren explained that Cady Mountain parcel is also 40 acres of Common School Trust and does not have legal access. It was appraised at \$500,000; \$12,668 per acre.

MOTION: Ms. Bergeson moved to approve Resolution #1169.

SECOND: Mr. Nichols seconded.

ACTION: Motion passed unanimously.

Ms. Bergeson departed the meeting at lunch.

Lunch at 12:20.

Reconvened at 1:05.

## **Chair Reports**

### Aquatic Overview of Proposed Rules for Revenue Distribution from Harbor Area Leases

Ms. McNair stated that she was briefing the Board on an item that would be brought back to the Board in the fall for action. The Aquatics program is proposing to amend state rules under WAC 332-100-040, regarding the distribution of revenues from leases within harbor areas. She said that current statutes provide the Board of Natural Resources with the authority to determine the amount deducted from transactions involving public lands to pay for the management costs. She explained that while the existing rules set the amount deducted from harbor areas lease revenues at 20%, the statute allows up to 25%; the Aquatic Lands Enhancement Account gets 80% in harbor areas and the Resource Management Cost Account gets 20%. Ms. McNair said that this proposals stems from the ever growing challenge of managing state owned aquatic lands with further demands for moorage facilities, shellfish harvests, contaminated sediment disposal, public waterfront access, salmon habitat protection, and more. The ability of DNR to steward the public's aquatic resources, and especially the revenues available to pay for this stewardship, has not kept pace. She indicated that DNR is also doing more environmental reviews, legal actions, and contamination cleanup projects which are essential for protecting public resources but do not produce additional revenues.

Ms. McNair explained that the RMCA receives the maximum percent allowed by statute from all sources, except harbor area leases, which is statutorily set at a maximum of 25% and by rule is currently set at 20%. DNR is proposing to increase the percentage of revenues from harbor area leases that goes directly to aquatic resource management efforts, from 20% to 25%. This would provide about \$200,000 annually in stable funding for DNR's management activities. It would also ensure that DNR could properly harvest geoducks, manage leases, and steward state-owned aquatic lands. This proposal would also reduce the ALEA account by about 3% (for 2004, ALEA had \$10.4 million).

Ms. McNair stated that the Department has filed the CR-101 form with the code revisor. The next steps in the process are as follows:

- Staff will present a thorough analysis to the Board in September.

- Public hearings are planned for late September.
- Final recommendations will be brought before the Board in November.

#### Policy for Sustainable Forests (Continued)

Mr. Partridge resumed the discussion from before lunch. He said that one of the things that might be helpful for further clarity was to start by going to the policy on general silvicultural strategy because the old growth policy nests under the silvicultural policy.

Mr. Sprague read the addition to the policy: "The Department will target, over time, 10 to 15 percent of each Western Washington Habitat Conservation Plan planning unit for older forests based on structural characteristics. The department will identify through landscape assessments, suitable structurally complex forest stands to be managed to help meet older forest targets. Once older forest targets are met, excess structurally complex forest stands, other than old growth, may be considered for harvest activities".

Mr. Bare talked about changes in the discussion portion of the old growth policy.

Mr. Sprague said they've added information that attempts to describe what older forest targets and older forest structures are. In the second paragraph they talked about landscape structure.

Mr. Bare had concerns about the language regarding the matrix and the definitions of structural versus fully functional. He wanted to make sure it was clear in the discussion.

Mr. Cook asked about the index and wondered if it should be used for older forests as well.

Mr. Partridge said that would be more of an implementation issue.

Mr. Partridge said he would be reading a new old growth policy section: "The Department will defer from harvest existing old growth forests subject to the following exceptions:

- The Board of Natural Resources will be notified of any exceptions to this policy for operational considerations
- The Department will retain known very large diameter trees to meet Habitat Conservation Plan requirements for large structurally unique trees. The Department will notify the Board of Natural Resources of proposed harvest that may involve removals of very large diameter trees, generally greater than 40 inches in diameter.
- Inside the Olympic Experimental State Forest (OESF) the Department may conduct operations in old growth forests consistent with the requirements for the HCP, to meet the research objectives of the OESF and the HCP.

Mr. Partridge continued reading saying "the Department will actively seek to transfer out of trust status old growth forests and areas containing large diameter trees of high social and cultural significance with full trust compensation and when in the best interest of the trusts".

Mr. Partridge moved onto the optional language and where it would fit into the policy. He read the following: A) suggest prefacing the opening statement with "in order to help meet HCP and other regulatory requirements older forest targets and social/cultural values, ...it would go on to say the Department will defer from harvest existing old growth forests subject to the following exceptions...it would state an intent clause before the action clause. He then talked about the B and C optional language. They have to do with how DNR would define old growth that this policy would act on...one or

the other or both of these could go at the end of the policy. The first one would say old growth forests result from pre-European settlement origin and have been left unmanaged and relatively undisturbed by humans, the second would say that DNR would use best available science including field verification where needed, to define old growth forests for purposes of this policy. The last optional sentence, which would follow the policy clause about transfer out trust status would say “the Department will prioritize old growth forests not currently subject to protection under the HCP or other applicable regulations in seeking transfer out of trust status. He said this was DNR’s attempt to capture this morning’s Board discussion and give the direction to go ahead with the Final Environmental Impact Statement.

Mr. Cook said he liked A & B as optional language.

Mr. Partridge and the Board members discussed the optional language and suggested several small changes.

Mr. Nichols felt that it should start off right away with the definition of old growth.

They discussed several more edits and Mr. Partridge said those changes would be reflected in the discussion and policy.

Mr. Partridge talked about the optional language C and D suggesting that the Board’s policy statement include the statement that the Department would use the best available science including field verification where needed to define old growth forests for the purpose of this policy. This would allow DNR to use any existing science including the work of committee.

Mr. Nichols asked if this would help as far as Eastern Washington old growth.

Mr. Partridge said this is not a policy for Eastern Washington.

Mr. Cook commented that the National Academy of Science is constantly called upon for reports, the report goes out to many reviewers, and then a monitor is assigned to make sure that the panel that authored the report responds to every comment or suggestion offered by reviewers of the report. He said the report on old growth might have been improved with external review.

Mr. Partridge commented that it seemed that the Board wanted option C dropped out and the intent of D was for it to immediately follow line 25.

Mr. Nichols wanted to add another bullet so that old growth would fall under the Forest Eco-system heading and the Social/Cultural heading.

Mr. Sprague began going through the policy document.

Financial Assumptions:

One change was recommended, “The Department relies primarily on net present value as the most comprehensive and direct way to measure financial returns to the trusts and evaluating investments. However, measures such as internal rate of return and cost-benefit ratio may be best suited for some specific questions.”

Mr. Bare wondered how the certification language would be factored into the policy.

Mr. Partridge said DNR didn't view SFI as a regulatory requirement or contractual agreement but it would be mentioned in the boilerplate.

Mr. Nichols asked if there was any reference to the state biodiversity council in the discussion or policy statement. He felt that it should be mentioned.

The Board members suggested several editorial and technical changes to the remaining policy subjects.

Mr. Sprague and Mr. Partridge said they would bring back the rewritten version at the September meeting.

Mr. Bare questioned the term long-term deferral under the special ecological features. He felt that it should be retained under short-term deferral until it could be transferred out of trust status.

Chair Bare announced that today was Mr. Cook's last day as a Board member. He commended him for being a leader on the Board and a quick read in his short term.

Mr. Nichols commended Mr. Cook saying that he really came in and learned the topics quickly and asked good questions as well as providing his wisdom and knowledge from his agricultural background.

Commissioner Sutherland added that Mr. Cook would be missed on this Board. His wisdom, knowledge and ability to incorporate those things into his decisions were beneficial to the Board and the State of Washington.

Mr. Cook said he should have known that Commissioner Sutherland would present him with something. He said that in all his years in state government he hadn't worked with a finer group of people than the employees at DNR. He commended Commissioner Sutherland for his management of the Department and the fine people that work there.

Meeting adjourned at 2:55 p.m.

Approved this \_\_\_\_ day of \_\_\_\_\_, 2005

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Doug Sutherland, Commissioner of Public Lands

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Bob Nichols for Governor Christine Gregoire

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Bruce Bare, Dean, University of Washington

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R. James Cook, Dean, Washington State University (Interim)

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Terry Bergeson, Superintendent of Public Instruction

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Ted Anderson, Commissioner, Skagit County

Attest:

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Sasha Lange, Board Coordinator